

7310 37th Avenue ~ Moline, Illinois 61265 Phone 309-792-3969 ~ Fax 309-792-3969

November 18, 2003

Board of Directors Philadelphia Suburban Corp. 762 W. Lancaster Avenue Bryn Mawr, PA. 19010-3489

Gentlemen:

Please be advised of our serious concerns related to your Kankakee/Will County operations which are located in Illinois. As you may be aware, your Division Manager, Thomas Bunosky, has refused to provide information and documents, which has been requested on multiple occasions. These requests date back to June 25, 2003. (Please note that these refusals do not include our requests made to Sherre Gessner, which have been similarly ignored since 1998.)

It is our understanding that Consumers Illinois Water Company (C.I.W.C.) intends to proceed with plans to "upgrade" its systems in the Oak Run community, which is located in central Illinois. C.I.W.C. allegedly plans to pass the cost of these improvements along to the 2,600 property owners at Oak Run. These efforts will <u>not</u> go unchallenged, as we can assure you that we will not allow <u>any</u> "water supply cowboys" to run roughshod over the elders in our community.

Suddenly (after 20 years), C.I.W.C. allegedly intends to improve water quality to its 560 "users," many of whom have never ever been able to drink the water due to its high sodium (500 ml) and chloride (360 mg) levels. Many "users" found it necessary to install reverse osmosis systems to deal with these problems, as well as the high level of dissolved solids (1340 mg). Many property owners have also found it necessary to replace appliances and fixtures, due to the "aggressive" quality of the water that has been provided to the Oak Run community since 1972.

We have attended three meetings (since June 25, 2003) and at each of these meetings we were promised information and documents, yet Mr. Bunosky has failed to provide it. This is a very poor reflection on Consumers Illinois Water Company, as well as Philadelphia Suburban Corporation. Unfortunately, it now appears that legal action may become necessary in order to obtain this relevant information.

Of equal importance, Mr. Bunosky has claimed that C.I.W.C. can do as they please, where they please, when they please, without regard to the rights or wishes of any Oak Run property owners. Mr. Bunosky has not provided the legal authority (he claimed existed) to support his position that C.I.W.C. is <u>not</u> bound by the express provisions of the restrictive covenants (which are contained within the chain of title to all the properties to which C.I.W.C. currently holds title, including but not limited to, Lot 59 in the Forest Ridge Subdivision).

We believe that litigation should <u>always</u> be a last resort, and as such we would strongly suggest that your Legal Counsel immediately review the Declarations, for each of the eight separate Oak Run Subdivisions, as <u>the Declarant's intent</u>, <u>with respect to "future well sites" is expressly and unambiguously manifested therein</u>. (Please also pay special attention to the easement provisions contained in each of those recorded instruments.)

The business interests of your company (and/or its "profitability") does <u>not</u> appear to "exempt" Lot 59 of the Forest Ridge Subdivision, from <u>any</u> of the restrictive covenants. Again, we can found no legal authority from any jurisdictions to suggest this would be accurate.

Further, it appears that the current fees being charged to approximately 2,100 "availability" customers may, in fact, be the result of an illegal amendment to the restrictive covenants that governs many of those lots. It is unknown whether or not the Illinois Commerce Commission has ever been provided this pertinent information, when C.I.W.C. previously requested rate increases. This matter is currently under investigation, primarily due to Mr. Bunosky's failure to comply with our simple and straightforward requests to this date.

Therefore, we would urge P.S.C. to investigate these concerns, as there is a distinct possibility that the "water availability fees" (and/or increases which may have been inadvertently approved) do not have a valid basis. Whether a cause of action will be asserted with respect to any portion of the nearly \$3,000,000 in "fees," which may have already been improperly collected, is also currently under investigation.

If you would like to set up a meeting to discuss any possible alternatives to legal action, please advise at your earliest convenience, as we intend to proceed accordingly in the absence of any meaningful dialogue. If you would like to review the Opinions from the Third District Appellate Court of Illinois (which outline the basis of our positions with respect to enforcement, invalid amendments, etc.) I would be happy to provide them for your Counsel's review.

Respectfully,

Monica J. Sadler

cc: Office of the Illinois Attorney General

Monica J. Sadler

Barney Olson II, Esq. Shu Bartholomew

7.	7	4	2.7
	_		

|--|

\mathbf{x}_{J}	
ুক্ত	
24	

)	10tel Packages 10tel Heidel of 10tel Weight 10tel Decision Value. See back for details. 10tel labeling to familiate to \$100 unless you decise a higher value. See back for details. 10tel labeling to familiate desires the decision with resulting desiring sugneture. 25 0.00. 2 0.00. 2	Pyrate Pyrate conditions on the beach and in the beach and in the beach of the bea
)	क्षेत्र क्षेत्र क्षेत्र क्	unovikusts/seel/rideri
1	Payment Bill to: Emerth-dex Start No. Chall Starty Credit Card Ceah/Check (will be billed or Chall Starty Credit Card Ceah/Check (will be billed or Chall Starty Credit Card Ceah/Check (will be billed or Chall Starty Check Card Ceah/Check (will be billed or Chall Starty Check Chall Card Chall Card Check Chall Check Chall Check Chall Check Chall Check Chall Check Check Chall Check	Address To Day, Lancasta A W. Lancasta A We coming delivers of P.D. Dower or P.D. Dowe
	No Street State Street State S	, J. 2, 9
הערד רטה וי	Vabrides Cutoff Vabrides C	Te Recipients N. De Benedictis Phone (610, 527 - 8000
_	Special Handing the trades fields fields in Section 1	The State of the Control of the Cont
MEIAIN INS	FedEx Envelope* FedEx Pak* Include FedEx Pak* Lango Pak, and FedEx Study Pak And FedEx Study Pak Include FedEx Study Pak And FedEx Study Pak Include FedEx Pak Include	City Vour Internal Billing Relevance
METAIN INIS	Packaging FedEx Envelope* FedEx Envelope* Include FedEx Buck*Buck*Buck*Buck*Buck*Buck*Buck*Buck*	Substantial Substantial AVE - 3157 asserbed Policy Configuration of the Policy Configu
HEIAIN INIS	D Express Freight Service Delvery comment may be learn anneares day Man business day Man business day Man business day Packaging Packaging Packaging TedEx 10ay Freight* TedEx 10ay Freight* Packaging TedEx Packaging	Address 7310 - 374 AVE. Redress 7310 - 374 AVE. Redress Address State AVE. On Moline State AVE.
REIMIN INIS	FedEx 20ay FedEx 20ay FedEx 20ay FedEx 20ay FedEx 10ay Freight Service FedEx 10ay Freight Service FedEx 10ay Freight Service FedEx 10ay Freight Service FedEx 10ay Freight	Address 7310 - 374 AVE. Redress 7310 - 374 AVE. Redress Address State AVE. On Moline State AVE.
HEIAIN INIS	Special Handling Special Hand	Sender's Mon La Sender's Fedex 3789 - 6582 - 1 Sender's Mon La J Sadur Phone 309 792-3555 Sender's Mon La J Sadur Phone 309 792-3555 Sender's Mon La J Sadur Phone 200 792-3555 Sender's Mone 200 792